MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2015 / 2016

DBL5028 – COMPANY LAW

(For Diploma Students Only)

6 OCTOBER 2015
9.00 a.m. – 11.00 a.m.
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of 3 pages with 5 questions only.
2. Attempt **FOUR (4)** out of **FIVE (5)** questions. All questions carry equal marks and the distribution of the marks for each question is given.
3. You are required to cite sections and case laws where relevant.
4. Please write all your answers in the Answer Booklet provided.

QUESTION 1

a) In order to form a company, certain procedures need to be followed for the purpose of registration with the Companies Commission of Malaysia. State all documents and forms that need to be submitted before payment of registration fees is made.

(5 marks)

b) Every company must have a Memorandum of Association. Explain the alteration of Memorandum of Association with reference to provisions in Companies Act 1965.

(10 marks)

c) Explain the doctrine of ultra vires under the English common law and its modification in Malaysia as provided in the Companies Act 1965.

(10 marks)

[Total : 25 Marks]

QUESTION 2

a) Linda is a 30 years old woman who lives in Kuala Lumpur. She formed a company called Linda Lambat Sdn. Bhd. and become one of the directors in the company. After a year, she intends to appoint her sister, Lizzy, a 17 years old girl to be one of the directors of the company. She wants to know whether her sister is qualified to be a director. Her sister also has no educational background. Advise Linda.

(10 marks)

b) Director owes fiduciary duties to the company. Explain any **(1) ONE** of the fiduciary duties with reference to case law.

(5 marks)

c) With reference to provisions in the Companies Act 1965, state the following:

i. Any **(1) ONE** duty of skill, care and diligence of a director.

(2 marks)

ii. Any **(4) FOUR** statutory duties of a director.

(8 marks)

[Total : 25 Marks]

Continued.....

QUESTION 3

a) Define the following:

i. Chairman

(2 marks)

ii. Quorum

(2 marks)

b) There are several types of meeting that can be conducted in a company. Based on your understanding, explain statutory meeting in detail.

(15 marks)

c) State any **(3) THREE** matters to be transacted during annual general meeting.

(6 marks)

[Total : 25 Marks]

QUESTION 4

a) State the following:

i. Any **(4) FOUR** functions of the Companies Commission of Malaysia (CCM).

(8 marks)

ii. Any **(4) FOUR** functions of the Securities Commission of Malaysia (SC).

(8 marks)

b) Bursa Malaysia is one of the institutional bodies to ensure good corporate governance in Malaysia.

i. Explain what is Bursa Malaysia.

(5 marks)

ii. State any **(2) TWO** objectives of Bursa Malaysia.

(4 marks)

[Total : 25 Marks]

Continued.....

QUESTION 5

a) Explain what is certificate of incorporation.

(6 marks)

b) State any **(3) THREE** effects of incorporation as provided in Section 16(5) of the Companies Act 1965.

(3 marks)

c) Zakiah entered into an agreement to buy 100 metres of fabric with a company called Kedai Kain Murah Hebat Sdn. Bhd. One of the directors and majority shareholders of of the company is Zakiah's friend, Munah. Full payment was made by Zakiah for the said fabric on 20th March 2015. However, the company failed to deliver the fabric as agreed. Zakiah wants to sue Munah personally for the non-delivery of the fabric. Advise Zakiah.

(10 marks)

d) With reference to provisions in Companies Act 1965 and case law, there are several circumstances where corporate veil may be lifted. State the following:

i. Any **(1) ONE** judicial exception.

(2 marks)

ii. Any **(2) TWO** statutory exceptions.

(4 marks)

[Total : 25 Marks]

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